

Congress of the United States
Washington, DC 20515

July 31, 2020

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
H-232, U.S. Capitol
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
H-204, U.S. Capitol
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
United States Senate
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader
United States Senate
322 Hart Senate Office Building
Washington, DC 20510

Dear Speaker Pelosi, Leader McCarthy, Leader McConnell and Leader Schumer:

We write to respectfully request that any forthcoming COVID-19 legislative package include critical housing provisions provided under the *Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act* to protect homeowners and renters during this challenging time. We must make housing stability a top priority to prevent this pandemic from creating a new foreclosure and eviction crisis in the United States. Extending and expanding mortgage relief and housing assistance will help to ensure the continued stability of our nation's housing market during this crisis.

The *Coronavirus Aid, Relief, and Economic Security (CARES) Act* took significant steps to protect homeowners, tenants, and multi-family housing providers by granting forbearance on federally-backed mortgages and establishing a 120-day eviction moratorium. However, further federal action is necessary to avoid significant increases in eviction and foreclosure rates. According to data from the U.S. Census Bureau, during the first week of July, approximately twenty-five percent of Americans reported either not having made the last month's rent or mortgage payment or having little to no confidence that they can pay the next month's rent or mortgage on time. Unfortunately, these rates are expected to continue rising and will only be exacerbated by the rapidly expiring relief provisions established under the *CARES Act*.

The *HEROES Act* includes several critical provisions to assist homeowners experiencing financial hardship due to the COVID-19 crisis. The legislation expands the forbearance and foreclosure relief for homeowners and multifamily property owners with federally backed mortgages in the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* to include all covered mortgage loans. While the *CARES Act* provided relief for federally backed mortgages, about thirty percent of the single-family mortgage market and almost fifty percent of the multifamily market are not federally backed.

Expanding the availability of loan forbearance beyond federally backed mortgages will ensure struggling homeowners and multifamily property owners have access to the support they need.

The measure passed in the House further improves the forbearance relief provided to homeowners in the *CARES Act*. Despite federal guidance issued on the forbearance and repayment requirements, there has been significant confusion about the various repayment and loan modification options available to borrowers through their mortgage servicers. As a result, many homeowners were concerned that they would be required to make lump sum repayments at the end of a forbearance period. To address this issue, the *HEROES Act* specifies the loan modifications and loss mitigation that should be available to homeowners following a mortgage moratorium to prevent any homeowner from facing a lump sum payment that they cannot afford.

Additionally, Congress must address the need for further investments in rental assistance and emergency housing programs. The *HEROES Act* extends the 120-day eviction moratorium provided under the *CARES Act* to one year to protect renters from evictions during this crisis. It also includes critical provisions to strengthen emergency rental assistance by creating a fund to assist renters facing financial hardship and providing additional funding for Emergency Solutions Grants to aid those experiencing homelessness. With families and housing providers facing unprecedented financial strains, further assistance will be necessary to prevent a housing crisis that impacts millions of Americans and exacerbates the already dire economic conditions facing our country.

We appreciate your leadership on the initial legislative packages to support critical housing resources. In the interest of supporting America's working families and multifamily housing providers, we urge you to include provisions that would expand and improve housing relief in the next COVID-19 legislative package. We must ensure that homeowners, tenants, and multi-family housing providers are protected both during and after this national health emergency.

Thank you for your consideration. We look forward to continuing our work together to support our nation's homeowners.

Sincerely,



Kathleen M. Rice
Member of Congress



Denny Heck
Member of Congress



Scott H. Peters
Member of Congress



Norma J. Torres
Member of Congress